

What is the Country's Condition?

From comment by the Honorable David F. Houston:

This Second Survey of National Conditions, made by the Fidelity and Deposit Company, is suggestive, and will be helpful. At all times information of the sort here gathered is valuable. It is particularly so now, when there is still uncertainty in the business world, and leaders are debating the details of their industrial programmes and policies. It indicates that the business world is still feeling its way, but with increasing confidence, and with the conviction that the worst has passed.

The country has successfully borne the strain caused by a most notable drop in prices, particularly of a vast volume of raw materials, and has weathered a trying

period of liquidation. The demand for finished products has not developed to the point where our factories feel justified in taking the requisite quantity of our surplus raw materials to furnish the necessary relief to their producers; but there are some indications of a change in this direction.

Business men realize that forced action, based on artificial optimism, may lead to unwise action, and produce further embarrassment.

The foreign situation has not shown the expected improvement, and continued difficulties are experienced in discovering an effective European market for our commodities.

This Survey does point to certain favorable domestic conditions. The cost of living has appreciably diminished. Building operations in a number of districts tend to increase. There have recently been no strikes of consequence. Greater productivity of labor per man is reported from all districts. Raw materials are plentiful, and physical transportation conditions are good. There have been no business failures of moment. The crop outlook is satisfactory; and the banking situation has improved. It is believed that confidence in business circles is slowly spreading, and that while there is hesitancy, the business men of the country are feeling their way with sound business caution, and the country is working back toward a more stable condition.

A Nation-Wide Digest of Facts and Opinions, made by the Fidelity and Deposit Company Through its Representatives

INDUSTRIAL QUESTIONS	NEW ENGLAND		MIDDLE ATLANTIC			EAST NORTH CENTRAL			WEST NORTH CENTRAL				SO. ATLANTIC	EAST SO. CENT.	WEST SO. CENT.		MOUNTAIN	PACIFIC
	Mass.	Maine New Hamp. Vermont Rhode Isl. Conn.	New York	New Jersey	Penn.	Illinois	Ohio	Indiana Michigan Wisconsin	Minnesota, Iowa, Missouri North Dakota, South Dakota Nebraska, Kansas				Del. Maryland Dist. of Columbia Virginia, West Va. Ga. N. Carolina, S. Carolina, Fla.	Kentucky, Tenn. Alabama Mississippi	Arkansas, Louisiana Oklahoma Texas	Montana, Idaho Wyoming, Colorado New Mexico Arizona, Utah Nevada	Washington Oregon California	
	1	No	No	No	No	No	No	No	No				No	No	No	No	No	
2	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes				Yes	Yes	Yes	Yes	Yes	
3	No	No	No	No	No	No	No	No	No				No	No	No	No	No	
4	No	No	No	No	No	No	No	No	No				No	No	No	No	No	
5	No	No	No	No	No	No	No	No	No				No	No	No	No	No	
6	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes				Yes	Yes	Yes	Yes	Yes	
7	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes				Yes	Yes	Yes	Yes	Yes	
8	Taxation— Railroads	Taxation— Railroads	Taxation— Tariff	Taxation— Railroads	Taxation— Railroads	Taxation— Railroads	Taxation— Railroads	Taxation— Railroads	Taxation—Railroad Situation				Taxation—Peace Question	Taxation—Peace Question	Taxation—Peace Question	Taxation Tariff	Taxation Railroads	
9	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes				Yes	Yes	Yes	Yes	Yes	
10	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes				Yes	Yes	Yes	Yes	Yes	
11	No	No	No	No	No	No	No	No	No				No	No	No	No	No	
12	Yes	No	Yes	No	No	No	No	No	No				No	No	No	No	No	
13	Yes—Metals Machinery— Foundry—Pro- ducts—Textile and Products— Lumber—House Furniture— Metal Products— Building Trades— Transportation	Yes—Textiles and Products—Lum- ber—House Fur- niture—Metal Machinery— Foundry—Pro- ducts—Textile and Products— Lumber—House Furniture— Metal Products— Building Trades— Transportation	Yes—Textiles and Products—Lum- ber—House Fur- niture—Metal Machinery— Foundry—Pro- ducts—Textile and Products— Lumber—House Furniture— Metal Products— Building Trades— Transportation	Yes—Textiles and Products—Lum- ber—House Fur- niture—Metal Machinery— Foundry—Pro- ducts—Textile and Products— Lumber—House Furniture— Metal Products— Building Trades— Transportation	Yes—Textiles and Products—Lum- ber—House Fur- niture—Metal Machinery— Foundry—Pro- ducts—Textile and Products— Lumber—House Furniture— Metal Products— Building Trades— Transportation	No	Yes—Metals Machinery— Foundry—Pro- ducts—Textile and Products— Lumber—House Furniture— Metal Products— Building Trades— Transportation	Yes—Lumber House Furni- ture—Building Trades—Lum- ber—House Furniture— Metal Products— Building Trades— Transportation	Yes—Building Trades—Lumber—House Furniture —Packing and Food Products.				Yes—Building Trades—Lumber. House Furniture	Yes—Building Trades—Textiles and Products	Yes—Building Trades—Lumber House Furniture	Yes—Mining Building Trades	Yes—Metals Machinery Foundry Product Building Trades	
14	Increased	Increased	Increased	Increased	Increased	Increased	Increased	Increased	Increased				Increased	Increased	Increased	Increased	Increased	
15	Decreasing	Decreasing	Increasing	Increasing	Increasing	Increasing	Increasing	Increasing	Increasing				Increasing	Increasing	Increasing	Decreasing	Increasing	
16	Yes—Low Priced Dwell- ings—Ware- houses—Fac- tories	Yes—Low Priced Dwell- ings—Ware- houses—Fac- tories	Yes—Low Priced Dwell- ings—High Grade Dwell- ings—Apart- ments	Yes—Low Priced Dwell- ings—High Grade Dwell- ings—Apart- ments	Yes—Low Priced Dwell- ings—High Grade Dwell- ings—Apart- ments	Yes—Low Priced Dwell- ings—High Grade Dwell- ings—Apart- ments	Yes—Low Priced Dwell- ings—High Grade Dwell- ings—Apart- ments	Yes—Low Priced Dwell- ings—High Grade Dwell- ings—Apart- ments	Yes—Low Priced Dwellings—High Grade Dwellings and Apartments				Yes—Low Priced Dwellings—High Grade Dwellings and Apartments	Yes—Low Priced Dwellings	Yes—Low Priced Dwellings	Yes—Low Priced Dwellings	Yes—Low Priced Dwellings—Office Buildings and Stores	
17	No	No	No	No	No	No	No	No	No				No	No	No	No	No	
FINANCIAL QUESTIONS	NEW ENGLAND		MIDDLE ATLANTIC			EAST NORTH CENTRAL			WEST NORTH CENTRAL				SO. ATLANTIC	EAST SO. CENT.	WEST SO. CENT.		MOUNTAIN	PACIFIC
	Mass.	Maine New Hamp. Vermont Rhode Isl. Conn.	New York	New Jersey	Penn.	Illinois	Ohio	Indiana Michigan Wisconsin	Minnesota, Iowa, Missouri North Dakota, South Dakota Nebraska, Kansas				Del. Maryland Dist. of Columbia Virginia, West Va. Ga. N. Carolina, S. Carolina, Fla.	Kentucky, Tenn. Alabama Mississippi	Arkansas, Louisiana Oklahoma Texas	Montana, Idaho Wyoming, Colorado New Mexico Arizona, Utah Nevada	Calif. Wash. Oregon	
	18	Yes 6-8%	Yes 6-7%	Yes 6-8%	Yes 6%	Yes 6-8%	Yes 7%	Yes 6-7%	Yes 7%	Yes 7-8%				No	Yes 6-8%	Yes 8-10%	No	Yes 7-8%
19	Decreased	Decreased	Increased	Stationary	Increased	Decreased	Decreased	Decreased	Decreased				Decreased	Decreased	Decreased	Decreased	Increased	Decreased
20	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased				Decreased	Decreased	Decreased	Decreased	Decreased	Decreased
21	Increased	Increased	Increased	Increased	Increased	Increased	Increased	Decreased	Increased				Decreased	Decreased	Decreased	Decreased	Increased	Decreased
22	Lessened	Lessened	Lessened	Lessened	Lessened	Lessened	Lessened	Lessened	Lessened				Lessened	Lessened	Lessened	Lessened	Lessened	Lessened
23	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes				No	No	No	No	Yes	Yes
AGRICULTURAL QUESTIONS	NEW ENGLAND		MIDDLE ATLANTIC			EAST NORTH CENTRAL			WEST NORTH CENTRAL				SO. ATLANTIC	EAST SO. CENT.	WEST SO. CENT.		MOUNTAIN	PACIFIC
	Massachusetts Maine, New Hamp. Vermont, Rhode Island, Connecticut		New York New Jersey Pennsylvania		Illinois Ohio, Indiana Michigan Wisconsin		Iowa Kansas Missouri Nebr. Minn. N. Dak. S. Dak.		Del. Maryland Dist. of Columbia Virginia, West Va. Ga. N. Carolina, S. Carolina, Fla.		Kentucky, Tenn. Alabama Mississippi		Arkansas, Louisiana Oklahoma Texas		Montana, Idaho Wyoming, Colorado New Mexico Arizona, Utah Nevada	Washington California Oregon		
	24	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	
25	Fair	Fair	Fair	Fair	Good	Good	Good	Good	Good	Good	Good	Fair	Fair	Good	Good	Good	Good	
26	Yes—Low Prices	Yes—Low Prices	Yes—Low Prices—Shortage of Labor	Yes—Low Prices—Shortage of Labor	No	Yes—Low Prices—Shortage of Labor	No	No	Yes—Low Prices—Shortage of Labor	No	No	Yes—Low Prices—Shortage of Labor	Yes—Low Prices—Shortage of Labor	Yes—Low Prices—Shortage of Labor	Yes—Low Prices—Shortage of Labor	Yes—Shortage of Labor—Low Prices	No	
27	No	No	No	No	Yes—Lack of Funds	Yes—Lack of Funds	Yes—Lack of Funds	Yes—Lack of Funds	Yes—Lack of Funds	Yes—Lack of Funds	Yes—Lack of Funds	Yes—Lack of Funds	Yes—Lack of Funds	Yes—Lack of Funds	Yes—Lack of Funds	Yes—Lack of Funds	Yes—Lack of Funds	
28	No	No	No	No	Yes	No	No	Yes	Yes	Yes	No	Yes	No	No	No	No	Yes	
29	Fair	Fair	Fair	Fair	Fair	Fair	Poor	Fair	Poor	Fair	Poor	Fair	Fair	Fair	Fair	Poor	Fair	
30	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	
GENERAL QUESTIONS	NEW ENGLAND		MIDDLE ATLANTIC			EAST NORTH CENTRAL			WEST NORTH CENTRAL				SO. ATLANTIC	EAST SO. CENT.	WEST SO. CENT.		MOUNTAIN	PACIFIC
	Massachusetts Maine, New Hamp. Vermont, Rhode Island, Connecticut		New York New Jersey Pennsylvania		Illinois Ohio, Indiana Michigan Wisconsin		Minnesota, Iowa, Missouri North Dakota, South Dakota Nebraska, Kansas		Del. Maryland Dist. of Columbia Virginia, West Va. Ga. N. Carolina, S. Carolina, Fla.		Kentucky, Tenn. Alabama Mississippi		Arkansas, Louisiana Oklahoma Texas		Montana, Idaho Wyoming, Colorado New Mexico Arizona, Utah Nevada	Washington California Oregon		
	31	No	No	No	No	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes	Yes	Yes	
32	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
33	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	
34	Housing Shortage—Textile Situation—Taxation— Labor Readjustment	Housing Shortage—Textile Situation—Taxation— Labor Readjustment	Housing Shortage—Labor Readjustment—Taxation— Unemployment	Housing Shortage—Labor Readjustment—Taxation— Unemployment	Unemployment—Housing Shortage—Taxation—Farm Relief	Unemployment—Housing Shortage—Taxation—Farm Relief	Taxation—Housing Shortage—Crops and Prices— Labor	Taxation—Housing Shortage—Crops and Prices— Labor	Unemployment—Housing Shortage—Textile—Price of Farm Products—Labor	Unemployment—Housing Shortage—Textile—Price of Farm Products—Labor	Taxation—Farm Products and Cotton Crop	Taxation—Farm Products and Cotton Crop	Taxation—Financing the Farmers—Cotton and Oil Prices—Good Roads	Taxation—Financing the Farmers—Cotton and Oil Prices—Good Roads	Taxation—Financing the Farmers—Cotton and Oil Prices—Good Roads	Taxation—Shortage of Houses—Irrigation Good Roads		
35	Taxation and Tariff	Taxation and Tariff	Taxation and Peace	Taxation and Peace	Taxation	Taxation	Taxation and Tariff	Taxation and Tariff	Peace and Taxation	Peace and Taxation	Peace Settlement	Peace Settlement	Taxation	Taxation	Taxation	Taxation		
36	Favorable	Favorable	Favorable	Favorable	Favorable	Favorable	Favorable	Favorable	Favorable	Favorable	Favorable	Favorable	Favorable	Favorable	Favorable	Favorable	Favorable	

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A PLAN FOR RELIEVING TAXATION DIFFICULTIES

Suggested by Daniel de Wolf Weyer of the New York Bar

- PREMISES:** (1) The Government must continue to receive revenue on the present scale or higher. (2) The present tax system is widely condemned as hampering industry and progress. (3) Sale of a bond issue is probably impracticable. **RELIEF SUGGESTED:** Legislation providing for refunding to each tax-payer, in the form of U. S. Twenty-year four per cent. bonds, to be issued for that purpose, one-half the amount paid as income, war and excess profit taxes for the years 1920-1923 inclusive. **RESULTS:** (1) The Government would receive in cash the full amount of the tax levied. (2) The tax-payer would in effect have his taxes cut in half, as the bonds received would constitute a liquid asset. (3) The burden of war costs would be spread over a longer period.

Local Representatives will supply on request copies of the Survey Chart, and complete text of the analysis by the Honorable David F. Houston.

THE SECOND SURVEY OF NATIONAL CONDITIONS

The Fidelity and Deposit Company presents this second Survey of National Conditions in response to many requests. It is based on the answers to carefully considered questions, made by one thousand selected Representatives of the Company in all parts of the country. The Survey is a review by business men, prepared with every effort to insure accuracy, for the information of business men and published as a contribution to the Nation's commercial well-being. The information, based on interviews with bankers, merchants, manufacturers and others in a position to speak authoritatively, was telegraphed to Baltimore and tabulated within the last five days.

The first Survey of National Conditions was published September 21, 1920, and aroused so much interest as to indicate that it was of value to the public at large, as well as to the Directors of the Company for whom the data was primarily intended. It was felt at this time that another review would be welcomed.

Fidelity and Deposit Company

OF MARYLAND

Franklin D. Roosevelt, Vice-President

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